Chapter 13
Section 4.4

## Payment For Professional/Technical Components Of Diagnostic Services

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Authority: 32 CFR 199.4(c)(2)(ix) and (c)(2)(x)

## I. ISSUE

How are professional and technical components of diagnostic services to be reimbursed?

## II. POLICY

- A. Frequently, charges for diagnostic services are split between the professional (physician) and the technical (equipment) components. Wherever possible, separate TRICARE/CHAMPUS allowable charges are developed for each component. When a bill is received for the total service, the total TRICARE/CHAMPUS allowable charge is to be used in the processing of the claim.
- B. Some laboratory services do not require a professional interpretation, generally because the test simply indicates the presence or absence of a particular condition. Moreover, the results of blood tests, urinalyses, etc. are generally utilized in the context of all clinical information available in the patient's chart, and the related physician services are routinely included in fees for hospital visits, consultations, and other medical services. For these laboratory services the profile is to be assumed to cover the technical component only. If the professional component is separately billed, it shall be denied, since it is included in a paid service. This is to be considered an allowable charge reduction, and, for participating claims, the denied amounts cannot be billed to the beneficiary. In addition, the contractor shall deny claims for professional interpretation of laboratory tests when billed by anyone other than the attending, or a consulting, physician. The key is that professional interpretation for laboratory tests can only be paid to a physician who: (1) has access to the patient's medical records, and (2) can alter the patient's course of treatment based on the test results.
- C. Professional charges for radiation therapy services coded as CPT 77401 through 77416 cannot be reimbursed a separate professional component.
- D. Professional charges for therapeutic radiology port film coded as CPT 77417 is considered incidental to other therapeutic radiology treatment procedures and cannot be reimbursed separately.
- E. Under the TRICARE/CHAMPUS national allowable charge system as discussed in Chapter 13, Section 1.1, Section 1.2, Section 1.3, and Section 1.5, the CHAMPUS Maximum Allowable Charge file provides the contractor with a complete allowable charge or with

separate allowable charges for professional and technical components. The contractor is to use the appropriate allowable charge field on the file when processing a claim.

F. For diagnostic procedures that are still priced using area prevailing allowable charges, the contractor is to establish professional and technical components from the billed charges for the service as identified on the claims.

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